

SUPPORTING STATEMENT
FOR THE PAPERWORK REDUCTION ACT INFORMATION COLLECTION
SUBMISSION FOR REGULATION G

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

Regulation G, under the Securities Exchange Act of 1934 (the “Exchange Act”) requires registrants when publicly disclosing material information that includes non-GAAP financial measures to provide a reconciliation to comparable GAAP figures. Regulation G implemented the requirements of Section 401 of the Sarbanes-Oxley Act. Specifically, Regulation G is intended to provide investors with balanced financial disclosure when non-GAAP financial measures are presented.

2. Purpose and Use of the Information Collection

Every issuer that is subject to Section 13(a) or 15(d) under the Exchange Act must file periodic and current reports with the Commission containing information about its business and financial condition. Regulation G is intended to implement the requirements of the Sarbanes-Oxley Act of 2002. Specifically, Section 401 of the Sarbanes Oxley Act of 2002 required the Commission to issue rules providing that pro forma financial information included in any periodic or other report filed with the Commission pursuant to the securities laws, or in any public disclosure or press or other release, shall be presented in a manner that: (1) does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the pro forma financial information, in light of the circumstances under which it is presented not misleading; and (2) reconciles it with the financial condition and results of operations of the issuer under generally accepted accounting principles.

3. Consideration Given to Information Technology

Regulation G information is not required to be filed with the Commission but may be disclosed in electronic format, such as on an Internet website.

4. Duplication of Information

Regulation G information does not duplicate, overlap, or conflict with other federal rules.

5. Reducing the Burden on Small Entities

Most small businesses do not present non-GAAP financial information.

6. Consequences of Not Conducting Collection

Rules providing for less frequent disclosure than Regulation G requires would not be consistent with the intent of the Sarbanes-Oxley Act.

7. Special Circumstances

There are no special circumstances.

8. Consultations with Persons Outside the Agency

No comments were received on this request during the 60-day comment period prior to OMB's review of this submission.

9. Payment or Gift to Respondents

No payment or gift has been provided to any respondents.

10. Confidentiality

Regulation G is a public document.

11. Sensitive Questions

No information of a sensitive nature including social security numbers will be required under this collection of information. The information collection does not collect personally identifiable information (PII). The agency has determined that a system of records notice (SORN) and privacy impact assessment (PIA) are not required in connection with the collection of information.

12. Estimate of Respondent Reporting Burden**Estimated Reporting Burden**

Information Collection Title	OMB Control Number	Number of Responses	Burden Hours
Regulation G	3235-0576	43,176	21,588

We estimate that approximately 7,196 public companies are required to comply with Regulation G approximately six times a year for a total of 43,176 filings annually. We estimate that it takes approximately 0.5 burden hours per response for a total of 21,588 burden hours annually. We derived our burden hour estimates by estimating the average number of hours it would take an issuer to compile the necessary information and data, prepare and review disclosure, file documents and retain records. In connection with rule amendments to the form, we occasionally receive PRA estimates from public commenters about incremental burdens that are used in our burden estimates. We believe that the actual burdens will likely vary among individual issuers based on the nature of their operations. For administrative convenience, the presentation of the total related to the paperwork burden hours has been rounded to the nearest whole number. The burden estimate for the hours is made solely for the purpose of the Paperwork Reduction Act.

13. Estimate of Total Annualized Cost Burden**Estimated Cost Burden**

Information Collection Title	OMB Control Number	Number of Responses	Cost Burden
Regulation G	3235-0576	43,176	\$561,288

We estimate that an outside firm would charge approximately \$26 an hour for the services of a junior accountant (\$26.00 hour per response x 0.5 burden hour per response x 43,176 responses) for a total cost burden of \$561,288. Our estimates reflect average burdens, and therefore, some companies may experience costs in excess of our estimates and some companies may experience costs that are lower than our estimates. For administrative convenience, the presentation of the total related to the cost burden has been rounded to the nearest dollar. The cost estimate is made solely for the purpose of the Paperwork Reduction Act.

14. Costs to Federal Government

The annual cost of reviewing and processing disclosure documents, including registration statements, post-effective amendments, proxy statements, annual reports and other filings of operating companies amounted to approximately \$131,724,880 in fiscal year 2023, based on the Commission's computation of the value of staff time devoted to this activity and related overhead.

15. Reason for Change in Burden**Estimated Changed in Burden Hours**

Information Collection Title	OMB Control Number	Number of Responses Adjustment	Burden Hours Adjustment	Cost Burden Adjustment
Regulation G	3235-0576	-40,824	-20,412	-530,712

The decrease of 20,412 burden hours and the decrease of \$530,712 in cost burden is due to an adjustment to the number of Regulation G reporting companies.

16. Information Collection Planned for Statistical Purposes

The information collection is not planned for statistical purposes.

17. Approval to Omit OMB Expiration Date

The Commission is not seeking approval to omit the expiration date.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions to certification for Paperwork Reduction Act submissions.

B. STATISTICAL METHODS

The information collection does not employ statistical methods.